

**WAYS AND MEANS**

**and**

**CONSUMER PROTECTION COMMITTEE**

**of the**

**SUFFOLK COUNTY LEGISLATURE**

**Minutes**

A regular meeting of the Ways and Means and Consumer Protection Committee of the Suffolk County Legislature was held in the Rose Y. Caracappa Legislative Auditorium of the William H. Rogers Legislature Building, Veterans Memorial Highway, Smithtown, New York, on **November 30, 2004**.

**MEMBERS PRESENT:**

Legislator Cameron Alden • Chairman

Legislator Peter O'Leary • Vice•Chair

Legislator John Kennedy

Legislator William Lindsay

Legislator Lynne Nowick

Legislator Vilorio•Fisher

Legislator Elie Mystal

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**ALSO IN ATTENDANCE:**

Mea Knapp • Counsel to the Legislature

Jim Spero • Director, Budget Review Office

Charles Gardner • Director of Consumer Affairs

Ilona Julius • Clerk's Office

Ben Zwirn • County Executive's Office

Bill Faulk • Aide to Presiding Officer

Warren Greene • Aide to Legislator Alden

Ed Hogan • Aide to Legislator Nowick

Janet Longo • Real Estate Division

Lynne Bizzarro • County Attorney

Carolyn Fahey • Department of Economic Development

Joe Schroeder • BRO Office

All other interested parties

MINUTES TAKEN BY:

Donna Catalano • Court Stenographer

**(\* THE MEETING WAS CALLED TO ORDER AT 9:35 A.M. \*)**

**CHAIRMAN ALDEN:**

Good morning, and we're going to start the Ways and Means and Consumer Protection Committee Meeting. We will start with the Pledge, and we'll have Legislator Lindsay lead us.

### **SALUTATION**

I would also ask for a moment of silence. This is to do a couple of things. We have people serving all over the world to protect our freedom, and it's just to remember them. It's also to remember those that actually paid the ultimate sacrifice for our freedom. And we do have some POWs and MIAs, so if we could remember them also.

### **MOMENT OF SILENCE**

**CHAIRMAN ALDEN:**

Thank you. Kevin, good morning. We have Kevin Rooney with us this morning, and we'll do that presentation right now. Kevin was gracious enough to come out and tell us what the petroleum

fuels, some of the outlooks and stocks and things like that are.

**MR. ROONEY:**

Good morning, Mr. Chairman, members of the committee. For the record, my name is Kevin Rooney. I am the Chief Executive Officer of the Oil Heat Institute of Long Island. The institute is a not-for-profit trade association representing the interests of the wholesale and retail heating oil industries and the 600,000 customers whom we serve in Nassau and Suffolk Counties.

I appreciate the opportunity to appear before the committee this morning to give our prognostications, if you will, of the upcoming heating season from the heating oil standpoint. I have prepared a number of documents that are in a folder, which I hope has been distributed. You have it? Okay. Fine. I'll go through rather quickly and then leave whatever time you think is necessary to answer questions.

On the crude oil side, inventories at this point in time stand at approximately 290 million barrels. Last year, they were slightly lower than that at about 289 million. Stocks, however, are likely to fall in December partly because of an anticipated draw down from weather related issues, and also because of some tax issues in the Gulf Coast states. What most people are not aware of is that the states of Mississippi, Louisiana, Arkansas, Texas tax property, tangible property, held as of year end. So for a major producer, supplier, refiner of petroleum products, obviously they like to draw down their stocks by the end of the year so that they avoid the state tax consequences of that. A little bit bizarre, but that accounts for some of the draw down.

Over the past five years, and this is more of a factor of weather, we have actually seen a crude oil stock draw down in December that ranged from two-tenths of a million barrels to as high as 13.6 million barrels. Again that is truly, clearly the impact of weather. OPEC is meeting on December 10th, and they are projecting to make some production cuts. However, most

international and national analysts feel that those cuts are not likely to happen given the world energy situation, but of course, they are under review. Should OPEC decide to cut production by a couple of million barrels a day, that will tighten up the world market, tighten up the US market and that could lead to an increase in the crude oil price.

The Gulf of Mexico crude production is still down about 11 and a half percent or approximately 196,000 barrels a day, resulting from Hurricane Ivan. What most people didn't realize is that the last hurricane that came through the Gulf, Ivan, disrupted •• it was a major disruption to the underwater pipeline system that feeds the Mainland from the production grids out in the •• out in the Gulf. It was as high as 25%, which to put that in perspective, the United States uses about 20 million barrels a day. We lost about 5 million barrels a day from production because of Hurricane Ivan, and that lasted for over a month.

If we were to look at the price of crude oil and it certainly is at very high levels, something on the order now of about \$46 a barrel and change, in inflation adjusted dollars, however, it is still significantly lower than what it was back •• back in 1981. The run up to the first Gulf War, crude oil prices went as high as \$35 a barrel. If that were adjusted for inflation, it would be the equivalent today of about \$72.51 a barrel. So at 46, \$47 a barrel, we're still significantly below that all time high.

In terms of distillate product, and just to clarify, distillate product is anything which is not a residual oil or gasoline. Distillate product includes, jet kerosene, it includes diesel for over the road transportation and manufacturing, and also includes heating oil. There is an interrelationship very clearly between these different types of products and how they interact in the market based on supply and demand at different times. Distillate stocks nationally are currently at 115 million barrels, about 10% lower than a year ago and about 8% lower than the five year trend. Stocks of Number 2, Number 2 is home heating oil, currently stand at about 49 million barrels, again, about 11% below last year and about 14% below the five year trend. More importantly for our region, our Stocks of Number 2 in the Mid Atlantic region, which are

currently about 20% below year ago levels, demand for all distillate products, diesel, jet kero and heating oil, have been very firm throughout 2004. One of the major increases in distillate demand has been in the jet kero industry as the airline industry continues to rebound from post it's post 9/11 trauma and continues to expand.

Imports, and we do import a fair amount of heating oil and distillate product at different times, currently on the average range •• but they may, may need •• or meet record levels, depending on how this winter shapes up. Production of distillate fuels is recovering from the low fall levels, and that was partly due to the hurricanes, which disrupted production, and also ULSD if you look at that chart is ultra low sulfur diesel. What is happening in the distillate market particularly for on•road diesel is that by the Year 2006 all on•road diesel will drop from 500 parts per million sulfur to 15 parts per millions sulfur. This ultra low sulfur diesel is required by the US EPA to meet new Clean Air Act standards.

While it goes into effect in the Year 2006 in the United States, it has already gone into effect in Europe. So all of the production facilities and refineries in Europe are in the process of switching over from the high sulfur to low sulfur •• ultra low sulfur diesel. That has disrupted their markets and has required exports of distillate products from the United States to Europe to meet their demands.

Distillate prices generally follow crude oil prices. There is an assumption on the part of those who are ill informed that there is no relationship between wholesale, retail and crude oil prices, when, in fact, there is. And the chart here that goes back to January, 1995, clearly shows as crude oil prices go up or down, they are followed by wholesale prices and they are followed by retail prices for both diesel and heating oil. The spikes that you see in say January, 2000, and January, '03, those are spikes in demand that are weather related.

Distillate demand continues to grow and is expected to exceed not only the Years 2002 and 2003, but also the five year rolling average from '98 to '03. US distillate fuel supplied, the five year average is the red line that runs throughout there. You can see that spike in 2003•2004. That was •• that was brought about by a very severe cold snap that lasted for about five or weeks in February of •• sorry, 2004. Currently, we're above levels of two years ago, last year and the year before and also well above the five year rolling average in terms of distillate fuel supply. Inventories, as I mentioned before, are lower than we would like in our industry. You can see the little green dots are 2003•4. We're something on the order of about two and a half million barrels a day of diesel inventories. This is going to •• this is going to cause problems and increase prices for consumer goods which are transported over the road. The largest increase in diesel demand occurs in the six week period prior to Christmas as goods are transported around the country to stores out for the Christmas holiday season.

Mid Atlantic heating oil stocks, as I mentioned before, are below average for this year and certainly are below average •• below the average number for last year. Not •• not terribly important at this point in time as long as the refinery and production capacity is there to meet an increase in demand should that occur with the onset of what could be called the weather, although the forecast that was released yesterday is actually calling for some milder weather throughout the month of December. Total US distillate production, as you can see, the three year average in red is being routinely exceeded in 2004, reaching a high of 4.18 million barrels a day early this year. Demand just continues to be inordinately strong for diesel fuel and jet kero, and that is what is driving the market.

Distillate imports are a major factor during the winter supply particularly of heating oil. As you can see, the rolling average of the last five •• the five year period from '98 to '03 is in yellow. That was exceeded in 2003. The red line was exceeded again in 2002 •• I'm sorry, 2003. And at this point, the EIA projection is that we will continue to exceed that in 2004 going into 2005. These imports mostly come from the Rotterdam spot market. And again, should there be a colder than normal winter in Europe, that will have an impact on the availability of imports to meet our demands, and that could, in fact, increase prices.

If you •• if you look at the next chart, total US distillate imports, the spike in 2000•2001, which occurred in January •• late January and February, that four week period from the middle of January to the middle of February was the coldest four week period on record. It was approximately 42% colder than normal. Demand for heating oil literally skyrocketed, and our imports jumped from approximately 300,000 barrels a day to approximately 650,000 barrels a day for about that four week period.

The retail price of heating oil, and this is a New York State graph, we can see here quite clearly that prices as of this point in time statewide are \$2.10.9 per gallon. The Long Island price as of today is \$2.23 a gallon, Long Island full service average. That is higher than it has been at any point in the past. Again, you see that blip up there in '99 •• 2000 was weather related, again, a very cold snap in January and February.

And lastly, heating degree days. Demand is obviously a factor of the weather. So far this year in the month of November, we had two weeks that were somewhat colder than the average and two weeks that were somewhat warmer than the average. The National Oceanographic and Atmospheric Administration, that's NOAA, the source for this chart. I go to a conference every year down in Washington where they give a presentation for about 35 or 40 minutes. And I have to be candid, only about 30 seconds of it is worth listening to, the rest of it is undecipherable to most laymen. You know, talking about North Atlantic oscillations and weather factors and el ninos and la ninas and what have you.

Bottom line is NOAA is projecting that this year there is a 33% chance of a somewhat colder than normal winter. Now, by somewhat they mean a variance of plus or minus five degrees either way. Realistically, if you have a difference of five degrees, if the average or the mean temperature in December which is normally on the order of 47 degrees, a five degree difference of 52 degrees really is a significant •• has a significant impact on both demand and available



supply. It may be heiracy for someone in the heating oil business to say this, but with tight supplies and already inordinately high prices, there are more than a few heating oil retailers out there who are praying for a mild winter. It would be certainly good for our industry and certainly good for the customers whom we serve.

I would be very pleased to answer any questions on both this topic or in the broader petroleum issues that you may have, Mr. Chairman. I appreciate the opportunity to be here.

**CHAIRMAN ALDEN:**

Thanks for the presentation, Kevin. From the charts that you presented today, if it ends up being a little colder like NOA is sort of projecting, we could have some people really on Long Island caught in a squeeze.

**MR. ROONEY:**

Absolutely. If, and it is a big if, if it ends up being colder that normal, and significantly colder, five degrees either way really doesn't make that much of a difference, but if you end up in •• and realistically, Mr. Chairman, it's not •• if it •• if it was five degrees colder than normal and it just stayed that way for the rest of the winter, it wouldn't have any impact at all. It's when you go from somewhat warmer than normal to significantly colder than normal. As we did in that one awful four week period. If we go from five degrees warmer than normal to ten to 15 degrees colder than normal and that lasts for a two to three week period, that's when people really, really feel it and have a real hard time. Not only does my industry have a hard time making deliveries, but obviously consumers have a hard time because of the fact of the cost increases that they are going to see.

**CHAIRMAN ALDEN:**

Just to get another explanation of what happens with the distillate going to Europe as opposed to •• like, we are going to phase in those things in what?

**MR. ROONEY.**

'06.

**CHAIRMAN ALDEN:**

'06.

**MR. ROONEY:**

Ultra low sulfur diesel?

**CHAIRMAN ALDEN:**

Right.

**MR. ROONEY:**

Yeah.

**CHAIRMAN ALDEN:**

So right now there's •• it's going from United States to Europe.

**MR. ROONEY:**

Yeah. Actually what is happening right now is as refineries in Europe switch over their systems from 500 parts per million to 15 parts per million, a lot of those refineries in Europe that supply

the Rotterdam market are not supplying it. Heating oil demand in Europe is being met by distillate suppliers here in the United States. There is excess capacity. Inventories •• and that's one of the reasons why our inventories are lower is that we are actually exporting heating oil. The assumption is that come January 1, when those refineries will have all completely switched over to the ultra low sulfur diesel, then they will have enough capacity to supply not only their diesel needs but their heating needs and have excess capacity as well. At that point, that heating oil which is currently going to Europe will start coming back to the United States. And a lot of it is actually done not on a straight sale basis, but is actually done on a reverse transfer basis. We give to you now, you give back to us at that same price.

**CHAIRMAN ALDEN:**

Next year when it phases in for us.

**MR. ROONEY:**

Absolutely.

**CHAIRMAN ALDEN:**

The only other thing I had a question on was why is there a difference in Mid Atlantic state supply as opposed to United State supply.

**MR. ROONEY:**

Primarily because of the fact that the Mid Atlantic states are essentially the heating oil market. Heating oil is burned around the country, but the predominant, you know, 75% of the heating oil market is in New England and the Mid Atlantic states. So at that point you have to separate distillate inventories which are primarily diesel throughout the Midwest, Southwest and far West and look at Mid Atlantic heating oil as opposed to, you know, pulling it out from the diesel and jet kero numbers. Those are the numbers that I really look at on a regular basis, heating oil stocks in the Mid Atlantic states. And that can run everywhere from ports of Newport News up to all of way up to •• all the way up to Maine and Rhode Island, Boston, Port of New Haven, obviously the Port of New York.

**CHAIRMAN ALDEN:**

Our storage on Long Island is •• I know there's something in Hicksville, right?

**MR. ROONEY:**

There are storage facilities all over Long Island from Riverhead •• the largest is probably out in Northville. You see all of those tanks out there as you go out on Sound Avenue in wine country. But there are also major terminals at Holtsville, Plainview, Oyster Bay, New Hyde Park, Inwood and Oceanside. Those are supplied either by barge, or in the case of Inwood by pipeline from the refineries in Jersey.

**CHAIRMAN ALDEN:**

Okay. So the shortage of diesel isn't going to affect too much as far as our stocks of heating oil?

**MR. ROONEY:**

No, not at all.

**CHAIRMAN ALDEN:**

Then the other thing that I was aware of •• and I apologize, I was only making one question, but now I just have another one •• I'm getting some calls from some of the smaller retailers, and they are saying that they're having trouble getting supply. Is there an imbalance or is it ••

**MR. ROONEY:**

I'm aware of some of those calls, because warren in your office has alerted me to them, and we've tried to assist wherever we could. To be perfectly candid, our industry •• my industry faces a rather severe credit problem this heating season. For example, if you can compare last heating season to this, when wholesale prices were 80 cents a gallon, and let's say the Kevin

Rooney Oil Company has, you know, 5000 customers, and I know that •• don't I wish •• I know that based on historic consumption, 18% of that consumption will occur in months of December and January. So I need to purchase approximately 900,000 gallons in the months of December and January to meet my customers' needs. At 80 cents a gallon, I'm looking at cash outlay of approximately \$720,000. And most companies have a line of credit of a million, million and a half revolving line of credit with their banks. Again, that's not a problem. I send my trucks to the terminal, they pick of the product, the cost of that is electronically transferred from my account to the suppliers account with in 24 hours, and then I carry that cash float until I deliver the fuel to my customer and hopefully get paid by them.

However, when wholesale prices are 60 to 65 cents a gallon higher than they were last year, that same 900,000 that I would buy in the month of December or January, instead of costing me 720,000 is now going to cost me something on the order of about a million•three. If I have a revolving line of credit of a million to a million and a half, that line of credit is going to be tapped out very, very quickly. And when prices are higher, people tend to pay their bills more slowly. We would love for everyone to pay their bills in 30 days, but in reality that is just not the case. And when prices are higher and you get a much higher bill, you have a tendency to put it off and it gets paid in 45 or 60 days. Thus, you are carrying that cash outlay for a much longer period. And that put s a terrible strain on your credit lines.

It is a problem that the industry is looking at. We are actually working with the Small Business Administration in Washington to see if there is a revolving credit line underwritten by the federal government that could be used by heating oil retailers who are facing a credit problems, because if we begin to face credit problems, then the cost of borrowing is going to increase exponentially. If that increases, then we would have to pass that increase along to our customers. That is something that we really don't wish to do. Believe it or not, we like prices that are lower rather than higher. Heating oil companies don't make any more money when prices go up. In fact, in some cases they make less.

So working with the SBS, working the state government, and I met with a couple of our Senators yesterday, talking about this credit issue to see whether there are state funds and federal funds available that can be used simply as a revolving line of credit at a much lower interest rate than we would normally deal with a lending institution.

**CHAIRMAN ALDEN:**

And there was •• I don't remember where I read it or where I heard it, but there was some information passed to me that there was a major supplier that was having financial and possible faced either bankruptcy or termination of the business.

**MR. ROONEY:**

There was an article in the paper about a month ago about a company in Stamford, Connecticut, called Petroleum Heat and Power, PETRO. PETRO is the largest heating oil retailer in the nation. They serve approximately 500,000 customers in 14 states, they supply approximately a quarter of all of the homes on Long Island that use heating oil. Their problem •• I have be somewhat careful, because there are anti•trust regulations that prohibit me from talking about proprietary issues affecting one company. There problem was a short term liquidity problem. And in a nutshell •• if you can give me a couple of minutes, I'll try to explain it. One of the devices which used by wholesalers and retailers is a hedging mechanism called the Mercantile Exchange ort he Commodities Exchange. The Mercantile Exchange allows an individual or a company to purchase a contract to •• for heating oil, diesel, kerosene, natural gas, you name it, at some future date. You can •• you can go into the market today, November 30th, and you can buy a contract for heating oil for February, March, April, May and into next year, or you can buy next month. The cost of buying next month and the margin requirements that they require are much higher than the out months.

When you buy a contract, and each contract is a thousand barrels, so that's 42,000 gallons, normally speaking, and this is has been the historical rate, there is a margin requirement. When you buy a contract, you are required to put up approximately 5% of the total value of the contract. So let's say last year I brought a future's contract in June for December delivery at 80 cents a gallon. I would be required to put up in cash 5% or four cents per gallon of every gallon

in that contract. And then you basically •• when you take possession of the contract in December, then you pay the remainder. What the Mercantile Exchange did to reflect the fact that crude oil prices had risen from 32 to as high as \$56 a barrel, was not only did they •• the Mercantile Exchange required a higher margin call. In addition to that, you had futures that last year were selling at 80 cents a gallon, and this year was selling in June, July and August at approximately \$1.40, \$1.50 a gallon.

So if I did this last year, a year ago in June for last December versus this June for this December, I was looking at contract at 80 cents and my requirement was 5%, four cents. This year I was looking at a contract at \$1.40 and the margin requirement rose to 20%. So my margin requirement went from four cents a gallon to 28 cents a gallon. And in June and July and August when you are buying those contracts for the winter months, you are laying out •• I own the company, my company is laying out all of that money, cash, up front and we don't even take possession of the product until December let alone deliver it to a customer who hopefully will pay then in 30 to 60 days.

What you've got then is an enormous upfront cash outlay, which we didn't have in the past. That was the problem that PETRO had. It is a •• will they collect the money? Yes, they'll take possession of the product, they'll deliver it to their customers, hopefully their customers will pay them. But in that •• in that interim period between, you know, May, June, July and August when you're buying your winter contracts, the upfront cash requirements were just enormous. And when you multiplied that by the kind of gallonage that PETRO does, and I think about half their customers are on capped or fixed price programs, you are looking at, you know, buying contracts for 250 million gallons, and your upfront cost is approximately 28 cents a gallon, that's a financial burden that's enough to choke a horse.

What PETRO has done is they have restructured their company. They have partnered with Morgan Stanley, which is the largest trader of futures contracts on the Mercantile Exchange. They have also sold off their propane business, Star Gas. That gave them approximately five to

\$600 million cash infusion that will take care of that liquidity problem. So the company did have a short term liquidity problem. They have taken steps to resolve that. Anybody who deals with PETRO, which is a very reputable company, need have no fear that their company will not be able to supply them. PETRO is strong, it is healthy, it is now financially sound, and it's not something that any consumers should concern themselves with.

**CHAIRMAN ALDEN:**

So you're not aware of any other, like, wholesaler that would be in financial difficulty or anything like that that might fail?

**MR. ROONEY:**

No.

**CHAIRMAN ALDEN:**

Good. I think Legislators Vilorio and Fisher had some questions.

**LEG. VILORIO and FISHER:**

Actually, you answered my first question, which had to do with the practice of capping costs, that type of contract, which is very attractive for the consumer but could run into difficulty with the •• when the price of crude is high and distillate, of course, then becomes very high. But my other question has to do with ultra low sulfur diesel and the regulations. Now, how active is the oil industry or diesel industry looking at bio diesel as a means of lowering the sulfur?

**MR. ROONEY:**

We are actually •• actually very active. Our state association, the Empire State Petroleum Association, in conjunction with New York State Energy Research and Development Authority has had •• is in the third year now of a three year bio diesel demonstration project. It included three



•• three or four companies around the state that are using a blend of bio diesel and heating oil in a select number of homes. In the Hudson Valley and in Upstate •• not one on Long Island, unfortunately, that company •• there was a company, and they backed out of it •• to see over a period of time what kind of benefits there are to the consumer in terms of, you know, cost and service related mechanical issues that come out of using bio diesel. So far, the results that I have seen are actually very promising.

**LEG. VILORIA•FISHER:**

Would we be able to accelerate the time line so that we would not be impacted by the factors that you had referred to with regard the European aggressive movement toward lowering the sulfur content?

**MR. ROONEY:**

Well, a couple of things are going to happen. First off, when •• when ultra low sulfur diesel becomes the standard or on•road diesel, that is 15 parts per million, at that point in time, we fully expect that the off•road or heating oil level, which is anywhere from two to 3000 parts per million sulfur, will at that time drop to 500 parts per million. So the heating oil that is used by people in homes, the sulfur

content ••

**LEG. VILORIA•FISHER:**

In other words, heating •• the heating oil is four times ••

**MR. ROONEY:**

The current standard for on•road diesel.

**LEG. VILORIA • FISHER:**

In SOx?

**MR. ROONEY:**

Yeah.

**LEG. VILORIA • FISHER:**

Wow. I didn't realize it was that much.

**MR. ROONEY:**

So at that point in time, a year from now, off•road, that is heating oil, sulfur content, we fully expect will drop to 500 parts per million.

**LEG. VILORIA • FISHER:**

Which is where automotive diesel is right now.

**MR. ROONEY:**

Is right now, that is correct. Furthermore, Brookhaven National Lab has had an Oil Heat R&D Program out there, a very successful one, for the last 25 years. They are also looking into and studying whether or not heating systems can use ultra low sulfur diesel, 15 parts per million. There have been studies done in Europe that are promising but problematic. When you use ultra low sulfur diesel, you change the lubricity of the fuel, and that does have a problem in terms of burning out glass tubes and things like that, parts of heating systems.

**LEG. VILORIA•FISHER:**

There's even been a problem in automotive in that •• in that some manufacturers wouldn't not guarantee their vehicles if they move too quickly in removing the sulfur content.

**MR. ROONEY:**

Yeah, that's part of the problem. Plus an internal combustion engine is quite different than a heating system. But we would •• we are supportive of the move to a lower sulfur fuel both for on•road as well as off•road with the proviso that •• that there not a be a, quote, rush to judgment or demand at the federal or state level to impose an ultra low sulfur standard in out heating fuels, which may end up causing more problems than it cures.

So I think that in conjunction with the European studies and the Federal Government, Brookhaven National Lab and the state government, they are all studying the use of ultra low sulfur in heating fuels. And my best guesstimate is that probably some time in the next five years, you will see one standard, and it will be an ultra low sulfur diesel stand for both on•road and off•road diesel. And that will bring down sulfur levels dramatically, it will improve our air quality dramatically.

**LEG. VILORIA • FISHER:**

Will acid rain also ••

**MR. ROONEY:**

And the other concern was that the cost of ultra low sulfur diesel obviously is higher than the cost of heating oil.

**LEG. VILORIA • FISHER:**

Even incorporating bio diesel? Because it would seem to me that we wouldn't be as dependant on imports if we were to use bio diesel?

**MR. ROONEY:**

Going full circle and coming back to your original question about bio diesel. If bio diesel •• low sulfur bio diesel is more •• it is a more attractive option based on these studies, and that's obviously the direction that we will go in. If that is, in fact, the case, then I think the price impact on consumers may end up being negligible and that's something we obviously would like to see.

**LEG. VILORIA • FISHER:**

And it would help reduce our dependance on foreign supplies.

**MR. ROONEY:**

Yes, it would. To some small degree, yes, it would.

**LEG. VILORIA • FISHER:**

Every little bit helps.

**MR. ROONEY:**

Every little bit helps. Can I touch on one other question, and I know my friend Charlie Gardner is in the audience back there, on the issue of capped or fixed prices. Wholesalers and retail companies attempt to use the Mercantile Exchange as a hedging mechanism to fix or cap their prices, which in turn they extend to their customers. The idea of consumers having available to them a capped or fixed price for the heating season is a very attractive option. It's something that allows company to A, remain competitive with other heating oil companies, remain competitive with alternate fuels and also supply their consumers with heating fuels and stabilize their prices throughout the heating season, very attractive. Given the volatility of the market back in June, July and August of this year, many companies chose not to buy futures contracts themselves, thus they did not extend those contracts to their •• were not able to extend those contracts to their customers.

Those were the prudent companies. There are some companies out there that I am aware of in this area and in other areas that left their customer's prices capped, but did not buy the futures contracts to back them up. That is foolhardy in the extreme. And I would say to you it is •• it is a position of the institute that if a company has a fixed or capped price contract with a customer, that is a contract, it is a legally binding contract, the company is legally bound to adhere to the terms and conditions of the contract, and any attempt to violate that contract should be not only frowned upon, but should be acted upon by Consumer Affairs in an expeditious manner.

**LEG. VILORIA • FISHER:**

But might not those companies run into the problems that Chair was referring to. If they've painting them self into that corner, we could see some smaller that were trying too hard to be competitive to have painted themselves into a financial fix. And I think that that's the kind of concern that the Chair was eluding to earlier.

**MR. ROONEY:**

There was a small company in Smithtown by the name of Suburban Fuel that actually declared bankruptcy and closed their doors because of that issue. Any company that extends a capped price to its customer without backing up that price with a futures contract, basically buying the insurance, is a company that not only probably will be out of business, but should be out of business. That is the worst business practice I can imagine. But our position as an association representing the institute is that if a company has a capped or fixed price contract with a customer regardless of the impact on the company, they are legally bound to honor that contract.

**LEG. VILORIA • FISHER:**

Thank you, Mr. Rooney.

**MR. ROONEY:**

You're more than welcome.

**CHAIRMAN ALDEN:**

Anybody else have any questions? Thanks, Kevin.

**MR. ROONEY:**

Mr. Chairman, members of the committee, thank you very much for your time and attention.

**CHAIRMAN ALDEN:**

I don't have any cards. Is there anybody who wanted to •• I don't have any cards, I don't see anybody that wants to address this, so, Charlie, I'm just going to ask you for a quick update. If you would come forward. On your radar screen, any major problems that you're seeing?

**DIRECTOR GARDNER:**

We had a minute problem, Mr. Rooney eluded to, Mr. Chairman with the fixed price contracts. We thought it would •• we actually thought we would receive more complaints than we did given the big difference from this year's prices compared to earlier this year and last season. But since we took action, we haven't received any other complaints. We only had two •• two companies that were issued violations. One hearing is being concluded, the other is scheduled for next week where they just simply said, too bad, we know we offered you this contract. And these are consumers who had shopped around, had the ability five, six, seven, eight months ago to go to one of several different companies, went to these based on their offerings and then were told just very early into the heating season that, you know, too bad, we're going to raise your prices. Our stance is basically the same as what Mr. Rooney outlined, that a contract is a contract.

**CHAIRMAN ALDEN:**

We're prepared for a possible rash of these, though, as we get into colder weather, because that's really when it would, you know, become acute actually.

**DIRECTOR GARDNER:**

We'll see. Well, the companies that did not follow very prudent business planning and made some decisions that they shouldn't have based on maybe sticking their finger in the air and seeing which way the wind was blowing and did not prepare themselves by properly securing some advanced inventory and paying for them, you know, they just kind of made a guess as to what the prices might be and offered those contracts, they would already be hurting, because price has gone up so dramatically from even, you know, May and June.

**CHAIRMAN ALDEN:**

Any other questions for Charlie? Bill. Legislator Lindsay.

**LEG. LINDSAY:**

I had one of my constituents that had a problem, and Consumer Affairs was very expeditious in acting on it, and I appreciate that, the constituent certainly does. Charlie, just for the record, 2061, are you okay with that?

**CHAIRMAN ALDEN:**

There's an amended copy of that. This is a local law to permit seizure of vehicle from unlicensed home appliance repair businesses.

**DIRECTOR GARDNER:**

Oh, yes. I wasn't aware that there was an amended copy. But the intent of it, certainly it will not affect staffing needs. We already have a similar provision for home improvement contractors. And while I want to state for the record that we do not have a problem overall in the home appliance repair business, we have about 200 or so licensed, home appliance repair contractors, and we do not, for the industry, have a problem. I'm sure members of this committee •• we have heard about it so many times in public. One of the most notorious unlicensed contractors in Suffolk County happen to be in that business. So the office would welcome this as an additional tool to bring to bear upon that individual in that business.

**CHAIRMAN ALDEN:**



Anybody else? Thanks, Charlie.

**DIRECTOR GARDNER:**

You are welcome, Mr. Chair.

**CHAIRMAN ALDEN:**

All right. That was the end of the discussion and presentations so we can go right to the •• right to the agenda. We don't have any public hearings scheduled for this committee. I believe that 2061 is scheduled for a public hearing December 7th at 2:30 in Riverhead.

All right.

### **Tabled resolutions**

**1580•2004. Adopting Local Law No. •2004, a Local Law to amend Financial Disclosure Law. (CARACCIOLO)**

**LEG. LINDSAY:**

Motion to table.

**CHAIRMAN ALDEN:**

Motion to table by Legislator Lindsay, seconded by Legislator O'Leary. All those in favor? Opposed? It's **tabled. (VOTE:7•0•0•0)**

**1629•2004. Adopting Local Law No. •2004, a Local Law to extend and further strengthen to reporting anti•nepotism statute. (CARACCIOLO)**

**LEG. O'LEARY:**

Motion to table.

**CHAIRMAN ALDEN:**

Motion to table by Legislator O'Leary, seconded by myself. All those in favor? Opposed? 1629 is **tabled. (VOTE:7•0•0•0)**

**1675•2004. Adopting Local Law No. •2004, a Local Law to extend the County Code of Ethics to all outside business activities.**

**(COUNTY EXEC)**

**CHAIRMAN ALDEN:**

Motion to table by Legislator Lindsay, seconded by Legislator O'Leary. All those in favor? Opposed? It's **tabled. (VOTE:7•0•0•0)**

**1687•2004. Adopting Local Law No. •2004, a Charter Law to clarify delegation of responsibility during absence or disability of the County Executive. (BINDER)**

**CHAIRMAN ALDEN:**

Motion to table by Legislator O'Leary, seconded by Legislator Viloría•Fisher. All those in favor? Opposed? 1687 is **tabled. (VOTE:7•0•0•0)**

**1694•2004. Authorize the commencement of Eminent Domain Proceedings for Mediavilla Property, Town of Huntington. (BINDER)**

**CHAIRMAN ALDEN:**

I make a motion to discharge without recommendation.

**LEG. O'LEARY:**

Second.

**CHAIRMAN ALDEN:**

Seconded by Legislator O'Leary.

**LEG. LINDSAY:**

Motion to table.

**LEG. VILORIA • FISHER:**

Second.

**CHAIRMAN ALDEN:**

Motion to table by Legislator Lindsay, seconded by Legislator Fisher, that takes precedence. All those in favor, we've got Legislator Lindsay, Legislator Fisher and Legislator Mystal. I'm opposed, Legislator O'Leary is opposed, Legislator Kennedy and Legislator Nowick are opposed. Tabling fails.

**LEG. O'LEARY:**

Motion to discharge without recommendation.

**CHAIRMAN ALDEN:**

By Legislator O'Leary, seconded by myself. All those in favor, aye? Opposed is Legislator Mystal, Legislator Lindsay and Legislator Fisher.

So that's **DISCHARGED WITHOUT RECOMMENDATION. (VOTE:4•3•0•0).**

**(Opposed; Legis. Lindsay, Mystal and Vilorio • Fisher).**

**1802 • 2004. Promoting integrity of appointments to Boards and Commissions in Suffolk County. (COOPER)**

**CHAIRMAN ALDEN:**

Could I have an explanation, Counsel.

**LEG. MYSTAL:**

Motion to table.

**CHAIRMAN ALDEN:**

Okay. We don't need an explanation then. Motion to table by Legislator Mystal, seconded by Legislator Fisher. All those in favor? Opposed? That's **TABLED. (VOTE:7•0•0•0)**

**1891 • 2004. Adopting Local Law No. • 2004, a Local Law to authorize the implementation of subscription service fee schedule for County Clerk. (COUNTY EXEC)**

**LEG. O'LEARY:**

Motion to approve.

**CHAIRMAN ALDEN:**

Motion to approve by Legislator O'Leary, seconded by Legislator Nowick. All those in favor? Opposed? Any comments from County Clerk? Okay. **APPROVED. (VOTE:7•0•0•0)**

**1972•04. Adopting Local Law No. •2004, a Charter Law creating a County Department of Environment and Energy. (COUNTY EXEC)**

**LEG. O'LEARY:**

Motion to table.

**CHAIRMAN ALDEN:**

Motion to table by Legislator O'Leary, seconded by Legislator Nowick. All those in favor?

**LEG. VILORIA•FISHER:**

On the motion.

**CHAIRMAN ALDEN:**

On the motion, Legislator Fisher.

**LEG. VILORIA•FISHER:**

I just thought that there were issues that had been ironed out regarding the setting up of this Department of Environment and Energy. Are there still outstanding questions, are there things we're still working on, elements of this that are problematic? I'm just curious as to what's holding it up.

**CHAIRMAN ALDEN:**

There's still some stuff that I'm working on, but that's, you know, separate from this committee. As an individual Legislator, I have some problems with certain aspects of this.

**LEG. MYSTAL:**

There are negotiations.

**CHAIRMAN ALDEN:**

As Legislator Mystal pointed out, I think there is some negotiation over it.

**LEG. VILORIA • FISHER:**

Okay. I was just curious as to what the sticking point might have been. Thank you, Mr. Chair.

**CHAIRMAN ALDEN:**

There's a motion to table, there's a second on the motion to table. All those in favor? Opposed?

**LEG. LINDSAY:**

Opposed.

**LEG. VILORIA • FISHER:**

I'm opposed.

**CHAIRMAN ALDEN:**

We have Legislator Lindsay, Legislator Fisher and Legislator Mystal opposed. 1972 is **TABLED**. **(VOTE:4•3•0•0)**.

**(Opposed; Legis. Lindsay, Mystal and Vilorio • Fisher).**

**1986 • 2004. Authorizing legal action against Long Island Convention and Visitors Bureau, Inc. seeking recovery of improperly expended taxpayer funds. (CARACCILO)**

**CHAIRMAN ALDEN:**

I'm going to make a motion to table, seconded by Legislator O'Leary. All those in favor?  
Opposed?

**LEG. LINDSAY:**

I just have a question.

**CHAIRMAN ALDEN:**

Sure. Legislator Lindsay.

**LEG. LINDSAY:**

Really for Counsel, does this explore the possibility of legal action or authorizes legal action?

**CHAIRMAN ALDEN:**

I can answer it too. It was amended to explore the possibility of legal action, but even there, I think it's premature because we really don't have the final report from the Comptroller to see whether they repaid all the money or whether they didn't repay, what the numbers are outstanding. So we have a motion to table, second. All those in favor? Opposed? 1986 is **tabled. (VOTE:7•0•0•0)**

## **INTRODUCTORY RESOLUTIONS**

**1996 • 2004. Authorizing the sale, pursuant to Local Law 16 • 1976, of real property**

**acquired under Section 46 of the Suffolk County Tax Act Minnie Cassatt D'Oench a/k/a Minnie C. Hickman. (COUNTY EXEC).**

**LEG. O'LEARY:**

Motion.

**CHAIRMAN ALDEN:**

Motion to approve by Legislator O'Leary, seconded by Legislator Fisher. All those in favor? Opposed? That's **approved**. I'm going to amend the motion to approve and put on the **Consent Calender. (VOTE:7•0•0•0)**

**1997•2004. Authorizing the sale, pursuant to Local Law 16•1976, of real property acquired under Section 46 of the Suffolk County Tax Act Anne Mildred Gutner, as Executrix and Lawrence B. Gutner, as successor executor of the estate of Florence Brennan Cohn a/k/a Florence Cohn. (COUNTY EXEC)**

**CHAIRMAN ALDEN:**

Same motion, same second. That's to approve and put on the Consent Calender. All those in favor? Opposed? 1997 is **APPROVED** and placed on the **Consent Calender. (VOTE:7•0•0•0)**

**1998•2004. Authorizing the sale, pursuant to Local Law 16•1976, of real property acquired under Section 46 of the Suffolk County Tax Act Yasir Mahmood and Abid Kamal. (COUNTY EXEC)**

**CHAIRMAN ALDEN:**

From Real Estate, is this a...



**MS. LONGO:**

Yes. This is an as of right redemption.

**CHAIRMAN ALDEN:**

As of right redemption. Same motion, same second. 1998 is **APPROVED** and placed on the **Consent Calender. (VOTE:7•0•0•0)**

**1999•2004. Authorizing the sale, pursuant to Local Law 16•1976, of real property acquired under Section 46 of the Suffolk County Tax Act Donald Graham. (COUNTY EXEC)**

**MS. LONGO:**

As of right.

**CHAIRMAN ALDEN:**

As of right. Same motion, same second. **APPROVED** and placed on the **Consent Calender. (VOTE:7•0•0•0)**

**2000•2004. Authorizing the sale, pursuant to Local Law 16•1976, of real property acquired under Section 46 of the Suffolk County Tax Act Okin Realty Corp. (COUNTY EXEC)**

**MS. LONGO:**

As of right.

**CHAIRMAN ALDEN:**

As of right. Same motion, same second. That's **APPROVED** and placed on the **Consent Calender. (VOTE:7•0•0•0)**

**2001•2004. Authorizing the sale, pursuant to Local Law 16•1976, of real property acquired under Section 46 of the Suffolk County Tax Act West End Realty Management Inc. (COUNTY EXEC)**

**MS. LONGO:**

Same, as of right.

**CHAIRMAN ALDEN:**

Same motion, same second. **APPROVED** and placed on the **Consent Calender. (VOTE:7•0•0•0)**

**2002•2004. Authorizing the sale, pursuant to Local Law 16•1976, of real property acquired under Section 46 of the Suffolk County Tax Act Angelo Amendolia. (COUNTY EXEC)**

**MS. LONGO:**

As of right redemption.

**CHAIRMAN ALDEN:**

Same motion, same second. **APPROVED** and placed on the **Consent Calender. (VOTE:7•0•0•0)**

**2003•2004. Authorizing the sale, pursuant to Local Law 16•1976, of real property acquired under Section 46 of the Suffolk County Tax Act Lorraine Boyd and Lorraine Boyd as guardian of Bianca Boyd, as tenants in common. (COUNTY EXEC)**

**MS. LONGO:**

As of right.

**CHAIRMAN ALDEN:**

As of right. Same motion, same second. **APPROVED** and placed on the **Consent Calender**.  
**(VOTE:7•0•0•0)**

**2004•2004. Sale of County owned real estate pursuant to Local Law 13•1976 John and Theresa Shelton. (COUNTY EXEC)**

**MS. LONGO:**

This was sale to adjoining owner for \$3500, the appraisal was 3500.

**CHAIRMAN ALDEN:**

Same motion, same second. **APPROVED** and placed on the **Consent Calender**. **(VOTE:7•0•0•0)**

**2005•2004. Sale of County owned real estate pursuant to Local Law 13•1976 The Sound Beach Property Owners Association, Inc.**  
**(COUNTY EXEC)**

**MS. LONGO:**

This was a sale to adjoining owner \$11,000, and the appraisal was 10,300.

**CHAIRMAN ALDEN:**

Same motion, same second. **APPROVED** and placed on the **Consent Calender**. **(VOTE:7•0•0•0)**

**2006•2004. Sale of County owned real estate pursuant to Local Law 13•1976 John Gouliamas. (COUNTY EXEC)**

**MS. LONGO:**

Sale to adjoining owner for 15,000, and the appraisal on that was 15,000.

**CHAIRMAN ALDEN:**

Same motion, same second. **APPROVED** and placed on the **Consent Calender. (VOTE:7•0•0•0)**

**2007•2004. Authorizing the Director of the Division of Real Estate, Department of Planning to issue a Certificate of Abandonment of the interest of the County of Suffolk in property designated as Town of Riverhead pursuant to Section 40•D of the Suffolk County Tax Act. (COUNTY EXEC)**

**MS. LONGO:**

This was lack of notice to the prior owner.

**CHAIRMAN ALDEN:**

Same motion, same second. **APPROVED** and placed on the **Consent Calender. (VOTE:7•0•0•0•0)**

**2008•2004. Authorizing the Director of the Division of Real Estate, Department of Planning to issue a Certificate of Abandonment of the interest of the County of Suffolk in property designated as Town of Islip pursuant to Section 40•D of the Suffolk County Tax Act. (COUNTY EXEC).**

**MS. LONGO:**

This was lack of notice to the prior owner.

**CHAIRMAN ALDEN:**

Okay. Same motion, same second. **APPROVED** and placed on the **Consent Calender**.  
**(VOTE:7•0•0•0)**

**2019•2004. Establishing policy on use of County Clerk's Office for title examination purposes pending County Center renovation. (CARACCIOLO)**

**CHAIRMAN ALDEN:**

Anybody still here from •• okay. I'm going to make a motion to table, seconded by Legislator Mystal. All those in favor? Opposed? 2019 is **TABLED**. **(VOTE:7•0•0•0)**

**2061•2004. Adopting Local Law No. •2004, a Local Law to permit seizure of vehicles of unlicensed home appliance repair business. (NOWICK)**

**CHAIRMAN ALDEN:**

I'll make a motion to table for a public hearing, seconded by Legislator Nowick. All those in favor? Opposed? That's **TABLED** for a public hearing. **(VOTE:7•0•0•0)**

**2065•2004. Authorizing the sale, pursuant to Local Law 16•1976, of real property acquired under Section 46 of the Suffolk County Tax Act Charles Binninger. (COUNTY EXEC)**

**MS. LONGO:**

As of right redemption.

**CHAIRMAN ALDEN:**

Motion by Legislator O'Leary, seconded by Legislator Fisher. All those in favor? Opposed?  
That's **APPROVED** and placed on the **Consent Calender. (VOTE:7•0•0•0)**

**2066•2004. Authorizing the sale, pursuant to Local Law 16•1976, of real property acquired under Section 46 of the Suffolk County Tax Act Richard Cullen, administrator of the estate of William Cullen. (COUNTY EXEC)**

**MS. LONGO:**

As of right.

**CHAIRMAN ALDEN:**

As of right. Same motion, same second. **APPROVED** and placed on the **Consent Calender. (VOTE:7•0•0•0)**

**2067•2004. Authorizing the sale, pursuant to Local Law 16•1976, of real property acquired under Section 46 of the Suffolk County Tax Act Maureen E. Krajewski. (COUNTY EXEC)**

**MS. LONGO:**

As of right.

**CHAIRMAN ALDEN:**

Same motion, same second. **APPROVED** and placed on the **Consent Calender. (VOTE:7•0•0•0)**

**2068•2004. Authorizing the sale, pursuant to Local Law 16•1976, of real property acquired under Section 46 of the Suffolk County Tax Act Audrey R. Walker administrator of the estate of Elaine S. Davis, Elaine Alicene Davis. (COUNTY EXEC)**

**MS. LONGO:**

As of right.

**CHAIRMAN ALDEN:**

As of right. Same motion, same second. **APPROVED** and placed on the **Consent Calender. (VOTE:7•0•0•0)**

**2069•2004. Authorizing the sale, pursuant to Local Law 16•1976, of real property acquired under Section 46 of the Suffolk County Tax Act Patricia Verdi, surviving tenants in the tenancy by the entirety with Vincent Verdi, deceased. (COUNTY EXEC)**

**MS. LONGO:**

As of right redemption.

**CHAIRMAN ALDEN:**

Same motion, same second. **APPROVED** and placed on the **Consent Calender. (VOTE:7•0•0•0)**

**2073•2004. Sale of County owned real property pursuant to Section 72•H of the General Municipal Law (Incorporated Village of Quogue). (COUNTY EXEC)**

**MS. LONGO:**

This was a transfer to the village, 72•h transfer. The village requested it.

**CHAIRMAN ALDEN:**

They didn't state what they were going to use it for? I know there's restrictions in law, but...

**MS. LONGO:**

I'm really not ••

**MR. ZWIRN:**

Affordable housing.

**CHAIRMAN ALDEN:**

Ben. Welcome, Ben. Well, you have been here all along, but welcome to the table.

**MR. ZWIRN:**

I believe it is affordable housing.

**CHAIRMAN ALDEN:**

It could be any government purpose under that, so it could be road widening, could be affordable housing. But we do have somewhere documentation as far as what they're going to use it for?

**MR. ZWIRN:**

Absolutely.



**MR. FAULK:**

Mr. Chairman, it's roadway.

**MR. ZWIRN:**

It is roadway.

**CHAIRMAN ALDEN:**

Okay. Thank you.

**MR. ZWIRN:**

I stand corrected.

**CHAIRMAN ALDEN:**

Same motion, same second. 2073 is **APPROVED** and placed on the **Consent Calender**.  
**(VOTE:7•0•0•0)**

**2078•2004. Authorizing the sale of County owned real estate pursuant to Section 215, New York State County Law to Richard Edelstein and Glenda Edelstein, his wife.**  
**(COUNTY EXEC)**

**CHAIRMAN ALDEN:**

I have a request from the sponsor to table that, so I'm going to make a motion to table, seconded by Legislator O'Leary. All those in favor? Opposed? 2078 is **TABLED** at the request

of the sponsor. **(VOTE:7•0•0•0)**

**2085•2004. Adopting Local Law No. •2004, a Charter Law to transfer print shop from County Department of Human Resources, Civil Service and Personnel to County Department of Public Works. (COUNTY EXEC)**

**MS. JULIUS:**

Mr. Chairman, it has to be tabled for public hearing.

**CHAIRMAN ALDEN:**

Motion by Legislator O'Leary, seconded by Legislator Nowick to table for a public hearing. All those in favor? Opposed? 2085 is TABLED for a public hearing. **(VOTE:7•0•0•0).**

And that public hearing will be on December 7th at 2:30 in Riverhead.

**2090•2004. Directing the County Attorney to omit Legislator's signature from Contract agency agreements. (LOSQUADRO).**

**LEG. O'LEARY:**

Motion.

**CHAIRMAN ALDEN:**

Motion by Legislator O'Leary to approve, seconded by Legislator Kennedy. All those in favor? Opposed? I'm sorry, on the motion.

**MS. BIZZARRO:**

I just wanted to bring to your light that there is no requirement that the Legislators sign on the memorandum contracts. So we don't have that requirement right now, so I just don't see the purpose of the resolution.

**CHAIRMAN ALDEN:**

Just the history of what happened, I believe that a Legislator was requested to sign one of the contracts. So this would really codify our policy of not having Legislators sign on to it. So I believe that's the purpose of it.

**MS. BIZZARRO:**

I thought maybe there was a misunderstanding.

**CHAIRMAN ALDEN:**

He was requested to sign the contracts, and I think other Legislators were requested. Legislator Mystal.

**LEG. MYSTAL:**

Good morning, ma'am, how are you doing? Do you know anything about this? Because I did see it yesterday where Legislator, I think it was Montano, received a package for contract agency, and on top of the package it said "Legislators signature".

**MS. BIZZARRO:**

No, I'm not aware of that, and I apologize that I'm not, but I didn't even know about it.

**LEG. MYSTAL:**

And that's not from the County Attorney?

**MS. BIZZARRO:**

No, not at all. Even the letter agreements they don't get signed buy the Legislators either.

**LEG. MYSTAL:**

That's what we're concerned about, because I did see it yesterday. It came in, and I said •• is Ben around? Ben, do you know anything about this?

**MR. ZWIRN:**

No.

**MS. BIZZARRO:**

See, that's why I didn't understand the purpose of the resolution.

**LEG. MYSTAL:**

The purpose was that •• you know, all of sudden now we are asked to be part of a contract, which is we think illegal, because we cannot sign contracts with agencies. As a Legislative body, we cannot sign a contract with contract agencies. I was wondering if it came from your office ••

you know, the Department of Law.

**MS. BIZZARRO:**

Do you know where that contract emanated from, like, from my office, any particular attorney?

**LEG. MYSTAL:**

We thought it was from you.

**LEG. LINDSAY:**

Health.

**LEG. MYSTAL:**

It was a series of it, because there was more than one.

**MS. BIZZARRO:**

It was the Health Department?

**LEG. MYSTAL:**

Not just the Health Department, there were a series of them. We thought it came from the County Attorney's Office.

**MS. BIZZARRO:**

No, it did not. Absolutely not.

**LEG. VILORIA • FISHER:**

But I thought it had Christine Malafi's signature on it.

**MS. BIZZARRO:**

On the contract itself?

**LEG. VILORIA • FISHER:**

Yes.

**MS. BIZZARRO:**

It could have, but this sounds like a separate document that came along with it.

**LEG. VILORIA • FISHER:**

No. It was a document that has a series of places for people to sign, and one of them was the County Attorney's signature, and one said signature of the County •• of the Legislative sponsor.

**MS. BIZZARRO:**

I spoke to Christine Malafi about it, and she did not ••

**LEG. VILORIA • FISHER:**

Okay. Well, maybe we will ask the Legislators who have received that to, you know, let you see what it looks like.

**MS. BIZZARRO:**

That would be great, just so I know where it started from, because I'm definitely blind to this.

**LEG. MYSTAL:**

We have a pretty good idea, but we won't say.

**CHAIRMAN ALDEN:**

If we approve this today, it goes before the full Legislative body, so we'll another chance to •• another bite at the apple, so to speak, to flush out what was going on here.

**MS. BIZZARRO:**

Okay. Thank you.

**CHAIRMAN ALDEN:**

So we have a motion to approve and a second. All those in favor? Opposed? 2090 is **approved. (VOTE:7•0•0•0)**

**2092•2004. Approving payment to General Code Publishers for Administrative Code pages. (PRESIDING OFFICER)**

**CHAIRMAN ALDEN:**

Motion by Legislator O'Leary, seconded by Legislator Lindsay. All those in favor? Opposed? 2092 is **approved. (VOTE:7•0•0•0)**

**2098•2004. Authorizing certain technical corrections to Adopted Resolution No. 846 •2004. (COUNTY EXEC)**

**CHAIRMAN ALDEN:**

Can we just have a brief explanation?

**MS. VIZZINI:**

I have it. It looks like a typographical error, the wrong Capital Project number was used. It changes it from 1747 to 1785.

**CHAIRMAN ALDEN:**

Motion by Legislator Lindsay, seconded by Legislator Nowick. All those in favor? Opposed?



2098 is **APPROVED** and placed on the **Consent Calender. (VOTE:7•0•0•0)**

**2099•2004. Authorizing certain technical corrections to Adopted Resolution No. 929  
•2004. (COUNTY EXEC)**

**MS. KNAPP:**

2099, I think, is •• unless I'm myself reading it, and I'll defer to Budget Review •• I believe it should not be a technical correction in that it adds language to the second resolved that transfers \$4759 from General Fund revenues and the same amount for major medical claims, and it changes a possession grade to a Grade 21, and it changes the bargaining unit from two to 16, which probably is •• one of them exempt and the other one competitive. So unless I'm wrong, Gail might be able to correct me.

**CHAIRMAN ALDEN:**

Ben, if we pass this back to you, can you take a look at it? I don't think there's any significant time.

**MR. ZWIRN:**

No problem.

**CHAIRMAN ALDEN:**

Motion to table by Legislator O'Leary, seconded by myself. All those in favor? Opposed? 2099 is **tabled. (VOTE:7•0•0•0)**

**2100•2004. Authorizing transfer of six surplus County computers to Bridgehampton Parent•Child Home Program. (SCHNEIDERMAN).**

**LEG. O'LEARY:**

Motion to approve.

**CHAIRMAN ALDEN:**

Motion to approve by Legislator O'Leary, seconded by myself.

**LEG. VILORIA • FISHER:**

On the motion.

**CHAIRMAN ALDEN:**

On the motion, Legislator Fisher.

**LEG. VILORIA • FISHER:**

I'm certainly not opposing this, but I'm confused. I had had a request to transfer surplus computers to a local program in my district, and I understood at the time that I introduced that that it was contrary to a resolution of a couple of years ago that we couldn't give away any County equipment. Counsel, can you please clarify that for me.

**MS. KNAPP:**

There is a question under conflicting sections of Code about authorizing surplus computers. In this case, I believe Legislator Schneiderman asked me to do it •• I should find the resolution •• by declaring it to be •• not surplus, there was a different •• a different way.

**LEG. VILORIA • FISHER:**

Which have been taken out of service because of obsolete technology.

**MS. KNAPP:**

No, this one does say surplus. This one does say surplus.

**CHAIRMAN ALDEN:**

Legislator Fisher, if you introduce that resolution, I think you will find a friendly ••

**LEG. VILORIA • FISHER:**

I'll reintroduce it, because it was, you know, for a very good group, and they were surplus computers.

**CHAIRMAN ALDEN:**

Just for the record, when I looked into •• oh, Ben, maybe you can explain.

**MR. ZWIRN:**

The County Executive has no problem with doing this. The only thing they would suggest that is necessary is that they get serial numbers off the computers so they know which computers are being transferred. I know there are a bunch of them on here today, and that paperwork should be part of the record so they know which computers are surplus and which ones •• if somebody comes to pick them up, they know which ones they're getting.

**CHAIRMAN ALDEN:**

Okay. Because there •• I believe it worked almost the opposite way. The County took a bunch of computers out of service and they were either in a warehouse or stored somewhere. So one way or the other we can get the serial numbers off of them. But, Ben, do you have any idea how much they •• they get for these, because last time I looked, when they auctioned them off, they got scrap value?

**MR. ZWIRN:**

I don't recall. But I remember •• I think, Chairman, yourself, I think, transferred some computers earlier this year, and there was •• there was no problem that.

**CHAIRMAN ALDEN:**

Yeah, that went though. But I'm talking about when we actually sell them, I think we only get scrap value for them.

**LEG. VILORIA • FISHER:**

You have to pay.

**LEG. MYSTAL:**

Mr. Chair.

**CHAIRMAN ALDEN:**

Legislator Mystal.

**LEG. MYSTAL:**

A lot of times we really have to pay people to get rid of them because they are so obsolete and so out of date.

**CHAIRMAN ALDEN:**

So then by transferring like Legislator Fisher wants to do ••

**LEG. MYSTAL:**

We've been doing this for years and years.

**CHAIRMAN ALDEN:**

•• it will actually save the County taxpayers ••

**LEG. MYSTAL:**

All of a sudden, we couldn't do it anymore, I don't know why. Usually we have to pay people to get rid of them because they're so obsolete, nobody wants them.

**LEG. VILORIA • FISHER:**

You are right. I was surprised when I was not able to it. So I will just reintroduce that resolution so that we can be consistent.

**CHAIRMAN ALDEN:**

Put it in. We're friendly here towards those types of resolutions.

**LEG. VILORIA • FISHER:**

Great to hear.

**CHAIRMAN ALDEN:**

2100, we have a motion by Legislator O'Leary, seconded by Legislator Lindsay to approve and put on the Consent Calendar. All those in favor? Opposed? 2100 is **APPROVED** and placed on

the **Consent Calender**.

**2105 • 2004. Appointing member to the Suffolk County Delinquent Property Tax Task Force (Russell A. Weber, Esq.) (COOPER)**

**CHAIRMAN ALDEN:**

Mr. Weber, hi, come on up.

**MR. WEBER:**

Good morning, ladies and gentlemen.

**CHAIRMAN ALDEN:**

Why do you want to serve on this? Thank you for volunteering, it's not paid.

**MR. WEBER:**

I understand that. I'm not sure •• I've read the laws, and from my point of view, I'm not sure exactly where I stand on this issue. I'd like to be appointed because •• to go over the files to determine for myself if, in fact, I believe the law now is fair or unfair.

**CHAIRMAN ALDEN:**

You might have gotten suckered into it a little bit, because there's going to be a little more involvement than that. You're going to look at all the policy for Suffolk County, you're going to look at alternatives as far as even maybe selling tax warrants or tax liens to the public, that type of thing.

**MR. WEBER:**

Mr. Chairman, I'm willing to do that.

**CHAIRMAN ALDEN:**

you're willing to do that. Legislator Viloría•Fisher.

**LEG. VILORIA•FISHER:**

Mr. Weber, you are attorney, so I'm sure it was very clear that that legal term suckered into it ••

**MR. WEBER:**

I've heard that before.

**LEG. VILORIA•FISHER:**

So, you know, this has had some controversy involved in it, and I'm glad that you have stepped up to join us, especially having a legal background to look at this, to look at the issue of ownership and •• versus the lack of payment of taxes and the adverse consequences that that brings to the individual. And so I thank you for stepping up and being will be to serve on this commission. It's a new concept for us here in Suffolk County. It's a fresh look at an old practice. And so it will probably involve some great commitment of time. But I think it will be a learning process for all of. Us so thank you very much.

**MR. WEBER:**

You are welcome.

**CHAIRMAN ALDEN:**

Legislator O'Leary.

**LEG. O'LEARY:**

Good morning, sir. I'd like to know your background in law, what firm you are affiliated with and in what town.

**MR. WEBER:**

I have my own practice for the last 15 years, located in Amityville. It was a general practice for •• until about six years ago, then I specialized in real estate. I've always specialized in real estate, but for the last five or six years, 95% has been in the real estate, either representing buyers, sellers, residential and a myriad of lenders that I represent.

**MR. WEBER:**

Are you a resident of Suffolk County?

**MR. WEBER:**

No, I'm not. My practice is in Suffolk County.

**CHAIRMAN ALDEN:**

Legislator O'Leary, you have more questions?



**LEG. O'LEARY:**

No. I just established that he is not a resident of Suffolk County, and I don't know if that's a requirement to be part of this task force, but I certainly think it would be something that would be desirable on the part of those forming the task force that those ••

**MR. WEBER:**

If it helps at all, I was born in Amityville, raised in Amityville, practiced in Amityville for my whole life. I only moved across the border to Massapequa.

**LEG. O'LEARY:**

Just is a stone's throw. We do have a regional mindset now in the last couple of weeks or so, but I'd just like to look into that.

**MR. WEBER:**

That's fine. That's fine.

**LEG. O'LEARY:**

I don't believe there is a requirement of residency with respect to the task force, but I think if it's •• you have established a business in Suffolk County, and you've been there for how long?

**MR. WEBER:**

The practice itself?

**LEG. O'LEARY:**

Yes.

**MR. WEBER:**

1987.

**LEG. O'LEARY:**

Seventeen years.

**MR. WEBER:**

Fifteen to 17 years.

**LEG. O'LEARY:**

All right. Thank you.

**CHAIRMAN ALDEN:**

Legislator Kennedy.

**LEG. KENNEDY:**

Good morning. Just a quick question. You are involved in general real estate proactive, represent buyers, sellers, lenders. You are familiar with the Suffolk County tax act itself, though?

**MR. WEBER:**

Yes.

**LEG. KENNEDY:**

And the interactions with how delinquencies are processed, the Treasurer's Office and then where New York State Delinquent Tax Law may or may not fill in where there's a silence in the tax act?

**MR. WEBER:**

I'm not an expert at the Tax Law by any means.

**LEG. KENNEDY:**

Specifically, I'm talking about the Suffolk County Tax Act, which is what governs and controls delinquencies and the collection and the distribution of tax throughout the County itself.

**MR. WEBER:**

Yes, I'm aware of that.

**LEG. KENNEDY:**

You are familiar with it?

**MR. WEBER:**

Yes, sir.

**LEG. KENNEDY:**

Okay.

**CHAIRMAN ALDEN:**

Do I have a motion?

**LEG. O'LEARY:**

I'd like to make a motion to table only to further explore the intent of the task force. I mean, it's nothing against your qualifications, sir, but I'm of the opinion that members of a task force addressing •• addressing Suffolk County's needs should be a made up of residents of Suffolk

County. I'd just like to look into that a little further. I mean, if this became a situation where everyone who came before us was a non resident of Suffolk County, I'd be very concerned about that. So I want to establish some sort of policy with respect to the formation of this task force just going forward.

**MR. WEBER:**

That's fine, sir.

**LEG. O'LEARY:**

All right. I'll make a motion to table.

**CHAIRMAN ALDEN:**

Motion to table by Legislator O'Leary, I'm going to second it.

**LEG. LINDSAY:**

On the motion.

**CHAIRMAN ALDEN:**

On the question, Legislator Lindsay.

**LEG. LINDSAY:**

I'll go along with the tabling, but I want this to move rapidly, because it's a very important task

force, there's quite a controversy over, you know, the two different competing bills on this issue, and I'd really like to see the task force established and examine and report back to us on what's the most prudent way to go.

**LEG. O'LEARY:**

I agree Legislator Lindsay, I just want maybe just one cycle to look into the unlikely probability of all members of task force being non residents of Suffolk County.

**CHAIRMAN ALDEN:**

I'll go one step further.

**LEG. LINDSAY:**

Can I just clarify something?

**CHAIRMAN ALDEN:**

Sure. Legislator Lindsay.

**LEG. LINDSAY:**

I was just trying to figure out how many public members are on the task, and Ms. Knapp is checking that for me know. I believe a lot of them are public officials. I think there's only one or two public members, but we're finding out now.

**LEG. MYSTAL:**

Mr. Chair.

**MS. KNAPP:**

It's the County Executive or designee, the Treasurer or designee, the P.O. or designee, Minority Leader or designee, County Attorney or designee, Director of Real Estate or designee, a representative from the Suffolk County Tax Receivers Association, a representative from the Long Island Board of Realtors, and then there's the just the one appointment of an attorney with at least seven years experience in the field of real estate law to be appointed by the Legislature.

**CHAIRMAN ALDEN:**

So you run the risk of two of those members of the nine member task force being outside Suffolk County, because LIBOR covers all of Long Island. So there's possibility two could be outside.

**LEG. MYSTAL:**

I just wanted to ask the County Attorney if there's any opinion. Lynne, I just wanted to ask you if there's any kind of an opinion from the County Executive as to who •• the residential requirement of the boards.

**MS. BIZZARRO:**

I don't know about the County Executive, I am just a voice for the County Attorney.

**LEG. MYSTAL:**

The law itself.

**MS. BIZZARRO:**

I happen to know Russell Weber personally, I think he's outstanding attorney.

**LEG. MYSTAL:**

I know him too, he's my constituent.

**MS. BIZZARRO:**

He's been in Amityville forever. And he also •• I believe he owns the office there, so he is a property owner of Suffolk County. I think he would just make a good part of the team. I mean, he is a stone's throw away, but I really don't think that has any relevance to this task force.

**LEG. MYSTAL:**

What I'm trying to answer is Mr. O'Leary's foreboding in terms of his residency. I think, you know, he's well qualified. You know, we only have one person that we could put in that, you know, that may be right outside the County. He's been in Amityville all his life, so he knows the field.

**MS. BIZZARRO:**

Again, the resolution does not have a requirement that any of the members be Suffolk County



residents, but I am mindful of what you are saying, that you wouldn't want it across the board that all the members not be residents of Suffolk County. But I don't think you have that problem here, because it looks like the lion's share of the makeup of the task force will be Suffolk County residents. So the County Attorney's Office has no opposition to this.

**LEG. MYSTAL:**

One more thing. Thank you. One more thing. I think I want to echo Legislator Lindsay's concern that, you know, we have a task force, we need some interest very quickly. And I think the delay for the fact that he doesn't exactly live there, but he is a property owner in Amityville, born and raised and has been practicing, you know, I think if we need some answers, we need to move it. Otherwise, you know, it's going to take another round to find out, then we're into January. By January we're doing our Reorganizational Meeting, committees, so we are not going to get any answers or be able to appoint him until February.

**CHAIRMAN ALDEN:**

One question. Counselor, do you represent anybody on any tax matters •• not tax matters, but on redemptions or any matters of that nature, because that would be a conflict of interest?

**MR. WEBER:**

No, I'm not representing anybody on a redemption matter right now.

**CHAIRMAN ALDEN:**

Lynne might know the answer to this question. Reduction of taxes, do you do any of that type of work?

**MR. WEBER:**

No, sir.

**CHAIRMAN ALDEN:**

I'm just trying to think of, you know, relevant types of conflicts that might pop up.

**MS. BIZZARRO:**

The County Attorney is not aware of any conflict of interest with Russell Weber.

**CHAIRMAN ALDEN:**

Legislator O'Leary, would that have answered your question as far as the possibility of •• there is a possibility that two of the people that could be on the task force might not be Suffolk County residents.

**LEG. O'LEARY:**

Motion to table and a second.

**CHAIRMAN ALDEN:**

I seconded it.

**LEG. O'LEARY:**

I'll stand by my motion for one cycle. I want to get assurances from the County Executive's Office and also the sponsor of this resolution that it's not going to be a matter that's going to be addressed in the future. I just have some questions resolving •• to be resolved, and I would

request that the committee support my tabling motion for at least one cycle and only one cycle.

**CHAIRMAN ALDEN:**

I'll support it with the possibility that if your questions are answered by December 7th, I'd be willing to discharge it on the floor.

**LEG. O'LEARY:**

I'll tell you what. I'll change my motion from a tabling motion to discharge without recommendation.

**CHAIRMAN ALDEN:**

I'll second that. All those in favor? Opposed? 2105 is **DISCHARGED. (VOTE:7•0•0•0)**

Thank you very much for coming before us. What happens now is it goes before the full Legislative body •• you don't have to come down there •• on December 7th in Riverhead. The full Legislative body will debate this, and it will either passed or it could be tabled. Right now, you are in the process.

**MR. WEBER:**

Thank you.

**LEG. MYSTAL:**

Right now you are in limbo.

**LEG. O'LEARY:**

I'd like to have Mr. Zwirn come up, please, with respect to this particular issue. There seems to be a rush to fill the slots on this particular task force, or at least a desire to do so. Is the County Executive of the same mindset?

**MR. ZWIRN:**

I'm the representative of the task force.

**LEG. O'LEARY:**

You've already been appointed?

**MR. ZWIRN:**

Yes.

**LEG. O'LEARY:**

Okay. And all the other County Executive appointments to this committee, will that be expedited?

**MR. ZWIRN:**

The County Executive is anxious to proceed to get this matter resolved as quickly as possible.

**LEG. O'LEARY:**

All right. Thank you.

**CHAIRMAN ALDEN:**

Thanks, Ben.

**2107•2004. Sale of County owned real estate pursuant to Local Law 13•1976  
Reginald Bassett. (COUNTY EXEC)**

**MS. LONGO:**

That was a sale to adjoining owner for \$3600, and the appraisal was 3400.

**CHAIRMAN ALDEN:**

Okay. We have a motion by Legislator Kennedy, seconded by Legislator Fisher to approved and put on the Consent Calender. All those in favor? Opposed? 2107 is **APPROVED** and placed on the **Consent Calender. (VOTE:7•0•0•0)**

**2108•2004. Authorizing the sale, pursuant to Local Law 16•1976, of real property acquired under Section 46 of the Suffolk County Tax Act Aldo Aleszczyk and Barbara Aleszczyk, his wife. (COUNTY EXEC)**

**MS. LONGO:**

This is as of right.

**CHAIRMAN ALDEN:**

as of right. Same motion, same second. 2108 is **APPROVED** and placed on the **Consent Calender**. **(VOTE:7•0•0•0)**.

**2109•2004. Authorizing the sale, pursuant to Local Law 16•1976, of real property acquired under Section 46 of the Suffolk County Tax Act Aldo Aleszczyk and Barbara Aleszczyk, his wife. (COUNTY EXEC)**

**MS. LONGO:**

As of right.

**CHAIRMAN ALDEN:**

As of right. Same motion, same second. **APPROVED** and placed on the **Consent Calender**. **(VOTE:7•0•0•0)**

**2110•2004. Authorizing the sale, pursuant to Local Law 16•1976, of real property acquired under Section 46 of the Suffolk County Tax Act Francis P. Smith and Mary Smith, his wife. (COUNTY EXEC)**

**MS. LONGO:**

As of right.

**CHAIRMAN ALDEN:**

As of right. Same motion, same second. **APPROVED** and placed on the **Consent Calender**. **(VOTE:7•0•0•0)**.

**2111•2004. Authorizing the sale, pursuant to Local Law 16•1976, of real property acquired under Section 46 of the Suffolk County Tax Act Charles Pallmeyer, Carole J. Pallmeyer, his wife. (COUNTY EXEC)**

**MS. LONGO:**

As of right.

**CHAIRMAN ALDEN:**

Same motion, same second. **APPROVED** and placed on the **Consent Calender. (VOTE:7•0•0•0)**.

**2112•2004. Authorizing the Director of the Division of Real Estate, Department of Planning to issue a Certificate of Abandonment of the interest of Suffolk County in property designated as Town of Babylon. (COUNTY EXEC)**

**MS. LONGO:**

This was lack of notice to prior owner.

**CHAIRMAN ALDEN:**

Same motion, same second. **APPROVED** and placed on the **Consent Calender. (VOTE:7•0•0•0•0)**

**2113•2004. Authorizing the Director of the Division of Real Estate, Department of Planning to issue a Certificate of Abandonment of the interest of Suffolk County in property designated as Town of Huntington. (COUNTY EXEC)**

**MS. LONGO:**

Lack of notice.

**CHAIRMAN ALDEN:**

Same motion, same second. **APPROVED** and placed on the **Consent Calender. (VOTE:7•0•0•0)**

•0).

**2114•2004. Sale of County owned real estate pursuant to Local law 13•1976 Steven M. Mortuano and Michelle M. Wunder as joint tenants with rights of survivorship. (COUNTY EXEC)**

**MS. LONGO:**

This was sale to adjoining owner for \$3000, and the appraisal was 2600.

**CHAIRMAN ALDEN:**

Same motion, same second. **APPROVED** and placed on the **Consent Calender. (VOTE:7•0•0•0)**

**2123•2004. Adopting Local Law No. •2004, a Local Law creating Geographic Information System. (COUNTY EXEC)**

**MS. JULIUS:**

Mr. Chairman, it has to be tabled.

**CHAIRMAN ALDEN:**

I'm going to make a motion to table for a public hearing, seconded by Legislator Lindsay. All those in favor? Opposed? 2123 is **TABLED** for a public hearing that will take place December 7th, 2:30 in Riverhead. **(VOTE:7•0•0•0)**.

2126 was withdrawn by the sponsor.

**2162•2004. Authorizing transfer of six surplus County computers to the Pilot Club of Sayville, Inc. (LINDSAY)**

**CHAIRMAN ALDEN:**

Motion by Legislator Lindsay seconded by Legislator O'Leary. All those in favor? Opposed? **APPROVED** and placed on the **Consent Calender. . (VOTE:7•0•0•0)**.



**2163•2004. Amending the Suffolk County Classification and Salary Plan in connection with Airport Security Guard, and Senior Airport Security Guard, Geographical Information System Coordinator, Assistant Medical Services Bureau Director, Medical Services Bureau Director, Police Transportation manager, Evidence Specialist Trainee, Data Base Coordinator, Commissioner of Environment and energy, Assistant to Commissioner of Environment and Energy, and Assistant Municipal Finance Administrator. (BISHOP)**

**CHAIRMAN ALDEN:**

There was an amendment that adds •• also adds •• restores one position of Assistant Director of Real Estate.

**LEG. O'LEARY:**

Motion.

**CHAIRMAN ALDEN:**

Motion by Legislator O'Leary, seconded by Legislator Lindsay. All in favor? Opposed? 2163 is **approved. (VOTE:7•0•0•0).**

**2170•2004. Accepting and appropriating 100% New York State Local government Records Management Improvement Fund grant for disaster recovery purposes. (PRESIDING officer)**

**CHAIRMAN ALDEN:**

Motion by Legislator Nowick, seconded by Legislator Lindsay. All those in favor to approve and put on the Consent Calender? Opposed? 2170 is **APPROVED** and placed on the **Consent Calender. (VOTE:7•0•0•0)**

**2171•2004. Establishing a Blue Ribbon Commission on Employee Staffing Policy for Suffolk County. (CARPENTER).**

**CHAIRMAN ALDEN:**

Motion by Legislator Nowick, seconded by ••

**LEG. VILORIA • FISHER:**

Motion to table.

**LEG. LINDSAY:**

Second.

**CHAIRMAN ALDEN:**

There's a Motion to approve by Legislator Nowick, seconded by Legislator Kennedy. There's a motion to table by Legislator Fisher, seconded by Legislator Lindsay. Motion to table takes precedence. All those in favor? Legislator Fisher, Legislator Lindsay, Legislator Mystal. Opposed? So we have four opposed, three in favor. That motion fails. Motion to approve, all those in favor? All those opposed? Opposed would be Legislator Lindsay ••

**LEG. VILORIA • FISHER:**

Never mind, we're calling the vote. I just had a couple of comments on the motion.

**CHAIRMAN ALDEN:**

Go ahead, Legislator Fisher, we're running way ahead of schedule today.

**LEG. VILORIA • FISHER:**

Just very briefly, I'm wondering what the purpose is of setting up another commission. It seems that we have so many commissions. Just a couple of cycles ago, we kind of tried to dust off all of these commissions to see if there were some that were just out there without much of a purpose. And I believe that we are trying very hard here on the Legislature to look at our staffing policies very carefully. We certainly scrutinize them carefully during the budget process. We've just passed a •• 2163, which looks at the County classification of salary plan with certain positions there. I think we are doing a good job here on the Legislature and the County Executive's Office in balancing the way our government is run. And I don't know that there's really a call for setting up another commission. And I just see a redundancy, I see duplication of effort and yet another commission out there. And that is my opposition to this particular resolution.

**CHAIRMAN ALDEN:**

In answer to that, I sort of agree with you, but I sort of disagree. There's one other alternative that we would have to looking at this type of material, and that would be to be take up a lot of time in the Ways and Means Committee. And I think what's going to happen here is, the way I envision it, it we'll end up with a report from this commission, and then that's going save us some time as far as just detail work. That's why I would support it. Normally I would support just doing the work right here in the committee, but I think this will supply us with a data base and a starting point, then we can pick it up from there. And I agree with you, I think that for the most part we are doing a great job in the Legislature, Ben's doing a good job, I think we have a lot of other people doing good jobs, but this would just •• I think this is going to help us get a jump start at looking at an important part of government, and that's the people that actually staff it. So I'll call the vote. We have the three opposed, we have the four in favor, so 2171 is **approved. (VOTE:4•3•0•0) (Opposed; Legis. Viloría•Fisher, Lindsay and Mystal).**

We actually have a copy of the report that Legislator Montano got that would require his signature, and it's from somebody in the Contracts Unit. It's from the Department of Health Services, and it is the Contracts Unit. So that's one example. And I'm sure that other Legislators will be forthcoming with some of the examples.

## Sense Resolutions

**S•77. Sense of the Legislature resolution requesting the state government to amend the New York State Racing, Pari•Mutuel Wagering and Breeding Law to benefit local government. (LINDSAY)**

**CHAIRMAN ALDEN:**

Motion by Legislator Lindsay, seconded by Legislator Viloría•Fisher.

**LEG. VILORIA•FISHER:**

If it's okay with Legislator Lindsay, I'd like to be added as a cosponsor.

**LEG. LINDSAY:**

You want an explanation. I have some pie charts that I'll pass around for the committee to see, which I think Ms. Knapp •• it clearly shows that from 1980, Suffolk County used to get 46% of the handle from our OTB operation. Last year it was down to 20%. More and more, the state and the racing industry is taking a larger part and larger part of it, and this is to ask the state to restore the share that we initially entered into when we started this.

**CHAIRMAN ALDEN:**

Maybe we'll draw further on Ms. Knapp's expertise. What was the actual purpose of this law when it was passed? I know some laws were to help education, some laws were to help certain other aspects of government.

**MS. KNAPP:**

When the state first enacted the legislation that authorized the Off Track Betting Corporation, they did it for a couple of reasons; mainly, to really reduce the involvement of organized crime in

betting. Up until then, then only was you could make a bet was with a bookie. But the •• one of the other as important purposes was to provide funding for local government. And as Legislator Lindsay points out, the funding in the 25 years or so has shifted dramatically away from local government.

**CHAIRMAN ALDEN:**

Now part of that statement causes me some concern. So we don't want organized crime running this, but we want a dysfunctional New York State Government running it? So I would have a little concern with that. But I sport this wholeheartedly. I think it's a good deal. And hopefully, we can get some sponsors up in New York State to take a real serious look at it. So we have a motion to approve, second. All in favor? Opposed? Sense 77 is **approved. (VOTE:7•0•0•0)**

The only other thing we have is an Executive Session. It should be a fairly short Executive Session. Right now I'm going to make a motion, seconded by Legislator O'Leary to go into Executive Session to confer with the County Attorney's Office in reference to pending litigation. And we're going to ask •• or we'll authorize the presence of our Counsel, people from the County Attorney's Office, any other Legislative personal that would be •• any other Legislative personal that would be pertinent to the discussion of this litigation and anybody else from the County Executive's Office that would be pertinent. So motion and second. All in favor? Opposed? We're in Executive Session.

**(\* AN EXECUTIVE SESSION WAS HELD FROM 11:10 A.M. UNTIL 11:45 A.M.\*)**

**CHAIRMAN ALDEN:**

Okay. We're back from Executive Session. The Executive Session was to consider one matter, and one matter pretty much only. And that was attorneys fees on a settlement of a case or partial settlement of the case. The case had already been partially settled. One of the outstanding issues was attorney's fees. The committee had two people that were conflicted out, and that was Legislator Nowick and Legislator O'Leary. So they did not participate in the vote. There was a majority of the committee members that agreed to a settlement on the issue of attorney's fees. So the County Attorney has been authorized by the committee to settle on that issue.

Any other business to come before this Legislative committee? Seeing and hearing none, motion by Legislator Mystal, seconded by Legislator O'Leary to adjourn. All in favor? Opposed? We stand adjourned. Thank you.

**(\* THE MEETING WAS ADJOURNED AT 11:47 A.M. \*)**

\\_ \\_ **DENOTES BEING SPELLED PHONETICALLY**